

**REMARKS**

Upon entry of this amendment, claims 1-21 will be pending. By this amendment, claims 1-17 and 21 have been amended. No new matter has been added.

**§101 Rejection of Claims 1-21**

In Section 6 of the Office Action of October 3, 2008 (“the Office Action”), claims 1-21 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Applicant hereby traverses this rejection, noting that the subject matter in amended claims 1, 15 and 16 is directed at a network comprising servers and clients; which are hardware components and patentable subject matter under 35 U.S.C. 101. Applicant notes that the claims had recited “[a] network media environment”, which may have been confusing, and have since amended the claims to clarify that the claims are directed simply to a network.

While the Examiner pointed to sections in the specification that discuss various implementations of the invention, *e.g.*, that the invention may be realized in electronic hardware, computer software, or combinations thereof, the Examiner’s conclusion that Applicant intends for the devices to be implemented as a self-contained software application is without merit. The claims, as drafted, recite hardware components, and are thus what Applicant intended. Because hardware components are patentable subject matter under 35 U.S.C. 101, Applicants request that this rejection be withdrawn.

§112 Rejection of Claims 2-5, 10-12, and 21

In Section 8 of the Office Action, claims 2-5, 10-12 and 21 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Applicant has amended the claims to address the Examiner's concerns of clarity and insufficient antecedent basis.

§102 Rejection of Claims 1-11 and 13-21

In Section 10 of the Office Action, claims 1-11 and 13-21 are rejected under 35 U.S.C. 102(e) as being anticipated by Lipscomb *et al.* (U.S. Patent No. 7,346,687, hereinafter referred to as "Lipscomb"). This rejection is hereby traversed, and it is submitted that amended independent claim 1 is fully distinguished from Lipscomb, as described in more detail below.

For a reference to anticipate a claim, the reference must teach each and every element of the claim. The Examiner contends that Lipscomb discloses the network of claim 1.

Lipscomb discloses a system and method for distributing digital media assets to a plurality of users. A portal is provided comprising at least one server computer. The portal executes a media library database server application that manages access a master library of media assets that can be accessed by users via one or more communication networks. A plurality of media player devices communicate with the portal to access

media assets for use. Each media player device may comprise a processor that executes a database client application that manages media assets licensed for use by a user.

Claim 1, for example, recites [a] network comprising:

- (a) a first hub network including a first server and a first client, and said first server is connected to said first client;
- (b) a second hub network including a second server and said first client, and said second server is connected to said first client, such that said first hub network and said second hub network overlap;
- (c) wherein said first client stores first content bound to said first hub network and stores second content bound to said second hub network, and
- (d) wherein content bound to a hub network is represented by locked content data and corresponding licenses stored on a server connected to the hub network, and the bound content can only be played or presented through a compatible compliant device that is bound to the hub network.

(emphasis added)

The Office Action states that Lipscomb teaches that a first hub network and second hub network overlap because “networks overlap since players can access content other players or the portal. Also, players may be within wireless range.”

As explained in Paragraph [0062] of the specification as published in US 2004/0117440, provided in below in part:

[0062] When a media network environment includes two or more hub networks, some or all of the hub networks may overlap. *Two hub networks overlap when both of the hub networks include the same device or devices.* A device belonging to two hub networks spans the hub networks and is a spanning device. A spanning device stores (or can store) content data for instances bound to each of the hub networks. Accordingly, the spanning

device can present content bound to multiple respective hub networks (a bound instance is bound to only one hub network)....

As is easily appreciated, two hub networks overlap when the hub networks include the same device or devices. This is vastly different than what is referred in the Office Action- that media players are in wireless range of each other. Thus, for at least this reason, Lipscomb fails to teach two hub networks overlapping as required by claim 1,

The Office Action also states that Lipscomb teaches wherein a first client stores first content bound to a first hub network and stores second content bound to a second hub network because the media player in Lipscomb is able to store media. While a media player may be able to store media, this does not presuppose that a client stores particular content to a particular hub network. Applicant reminds the Examiner that for a valid 102 rejection, the reference must teach each and every element of the claim. The Examiner has not met this high burden for this element of claim 1.

The Office Action also states that Lipscomb teaches bound content can only be played or presented through a compatible compliant device that is bound to the hub network. However, Lipscomb fails to teach a compliant device and therefore fails to also teach that bound content can only be played or presented through a compatible compliant device.

As explained in Paragraphs [0025] and [0030] of the specification, provided in below in part:

[0025] In FIG. 1, a user Jim has established a home media network environment 100 including two devices: a PVR (personal video recorder) 105 connected to a television 110. The PVR 105 is a media network

*compliant device, meaning that the PVR 105 operates according to the processes defined for a device that is a member of a hub network....*

[0030] As discussed below, an instance that is compliant with hub network operation is in one of two exclusive states: discrete or bound. A discrete instance is independent of any hub network and can be played or presented through any compliant device (according to the license of the discrete instance). However, *a compliant device cannot make a usable copy of a discrete instance*. A discrete instance includes locked content data and a discrete license....

The Office Action points to licensed playback devices in Lipscomb to teach these elements. However, no where in Lipscomb is it taught or disclosed that a licensed playback device is a compliant device that must operate according to processes defined for devices in a hub network. For at least this reason, Lipscomb fails to teach bound content can only be played or presented through a compatible compliant device that is bound to the hub network.

For at least the above reasons, Lipscomb fails to anticipate claim 1. Independent claims 15, 16 and 18 include limitations similar to those described above in connection with claim 1. Therefore, Lipscomb fails to anticipate claims 15, 16 and 18 for the reasons set forth above.

Because independent claims 1, 15, 16 and 18 are presently in condition for allowance, Applicant respectfully requests that these rejections be withdrawn. Because the dependent claims inherit the patentability of their respective independent claims, Applicant submits that claims 2-14, 17 and 19-21 are allowable.

§103 Rejection of Claim 12

In Section 31 of the Office Action, claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lipscomb, in view of Rofheart *et al.* (U.S. Patent No. 7,058,414, hereinafter “Rofheart”).

Applicant respectfully traverses this rejection for the reasons set forth above with respect to Lipscomb. Rofheart adds nothing in regard to the missing features of Lipscomb discussed above. For at least this reason, Applicant respectfully requests that this rejection be withdrawn and that claim 12 be allowed.

**Conclusion**

In view of the foregoing, applicants respectfully request reconsideration of claims 1-21 in view of the remarks and submit that all pending claims are presently in condition for allowance.

In the event that additional cooperation in this case may be helpful to complete its prosecution, the Examiner is cordially invited to contact Applicant's representative at the telephone number written below.

Respectfully submitted,

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